

REBUTTAL TESTIMONY OF

James A. Epp

1 Q. Please state your name and position.

2 A. James A. Epp. I am the Manager of Water Operations and the Acting
3 Chief Administrative Officer for BPU.

4 Q. Have you previously provided testimony in this matter?

5 A. Yes.

6 Q. What is the purpose of your testimony?

7 A. To discuss the water capital improvement plan (CIP) included in the
8 cost of service study.

9 Q. Have you had the opportunity to review the expert testimony and
10 report of Michael Gorman on behalf of the BPU large customer
11 group?

12 A. Yes, I have.

13 Q. Do you have any concerns?

14 A. Yes, I do. Mr. Gorman recommends an arbitrary reduction in water
15 CIP to \$8.5 million per year as shown in schedule 8 of the testimony.
16 This is not enough to continue the safe, reliable and efficient delivery
17 of water services to our service territory. The justification for the
18 water CIP has been provided in my previous testimony. Many of

1 these projects in the current water CIP have already been delayed for
2 several years including the Nearman Water Treatment Plant 4 million
3 gallon reservoir, control system upgrades, equipment/fleet
4 replacements and water main leaks replacements. Continued delay of
5 these projects and replacements will only cause increases in operation
6 and maintenance expenses, reduction in safety for BPU employees
7 and customers, and reduce the safe and reliable delivery of potable
8 water to our customers.

9 Q. It has been suggested by representatives of the large power group that
10 the BPU defer the planned AMR-AMI program. Please describe this
11 program, its benefits for the BPU and its customers and the possible
12 cost reductions which BPU will be able to attain when the program is
13 implemented.
14
15
16
17
18
19

20 A. AMR-AMI benefits the customer and the utility in several ways:
21
22 1. Customer inquiries concerning water usage and billing will be on a
23 daily basis with accurate water use data.
24
25
26 2. Leak Detection for customers and the Utility will increase the
27 efficiency and effectiveness of customer service. Finding customer
28 service leaks on their side of the meter will reduce the customer's
29 expenses and also provide utility benefits with reduced demand.
30
31
32

- 1 3. Reduced demand translates into less energy for pumping and
2
3 chemical expenses.
4
5 4. AMR-AMI will reduce the trips needed by staff and vehicles for
6
7 turn offs and monthly meter reads.
8
9 5. Reduce staff for meter reading
10
11 6. Ability to compare daily data for usage patterns to facilitate billing
12
13 questions and possible disputes over water use.
14
15 7. Customer can better control the water use by accessing daily
16
17 consumption data.
18
19 Q. Are other local utilities implementing AMR-AMI programs?
20
21 A. Yes. Local utilities include Kansas City, Missouri, City of Olathe and
22
23 and Johnson County Water One.
24
25 Q. Do you recommend that BPU defer the AMR-AMI program?
26
27 A. No